



U.S. Department of Justice

*United States Attorney
Eastern District of Virginia*

Paul J. McNulty
United States Attorney

2100 Jamieson Avenue
Alexandria, Virginia 22314

News Release

FOR IMMEDIATE RELEASE:
December 20, 2005
Alexandria, Virginia

For Further Information:
Sam Dibbley 703-842-4050

Paul J. McNulty, United States Attorney for the Eastern District of Virginia, announced that Ricky Kastello, age 26, from Falls Church, Virginia, pleaded guilty today in federal District Court in Alexandria to one count of mail fraud. The Honorable T.S. Ellis, III has scheduled Kastello's sentencing for March 3, 2006, at which time he faces a maximum sentence of 20 years in prison and a fine of \$250,000. In addition, he will be required to repay the money he obtained by fraud.

Kastello participated in a well-organized criminal enterprise, whose members stole automobiles from a car dealership in Anderson, Indiana, by using false information to obtain credit for the purchase of the cars and by driving the cars off the lot before the lenders discovered the scheme. The conspirators then drove the cars to Northern Virginia where they staged accidents by intentionally driving the cars into stationary objects and then filed false insurance claims for damages.

Kastello was arrested in October 2005, along with some of his co-conspirators including, Rockie W. Demitro, age 25, of Arlington, VA; John Nicholas, age 24, address unknown; Rocky A. Kastello, age 32, of Alexandria, VA; and, Santino J. Thompson, age 19, address unknown, who have also pleaded guilty to mail and wire fraud charges, as part of Operation Moving Target, a large-scale, staged accident fraud initiative. The conspirators involved in this enterprise have caused at least \$300,000 dollars in losses to their victims as part of their criminal activities.

Thus far, Operation Moving Target has shut down two other groups which have been involved in staged accident schemes in Northern Virginia. Members of these two groups have either been charged or have pleaded guilty and are awaiting sentencing as part of Operation Moving Target. Specific charges depend on the circumstances of each case, and maximum penalties range from 5-20 years imprisonment, \$250,000 in fines, and one to three years supervised release depending on the charge.

In sum, 19 individuals have been charged as part of this initiative, and have caused at least \$1,000,000 in losses to insurance companies and other victims of their crimes. In addition, some of these schemes have placed the public at risk of serious bodily injury or death in cases

where the perpetrators have deliberately collided with cars driven by innocent victims and then made false claims for damages against the victims' insurance companies.

These rings employed a variety of techniques to further their schemes, including: complaining of difficult-to-disprove soft-tissue injuries; deliberately seeking health care treatment from disreputable health care practitioners who may assist them in padding claims; using false witnesses to corroborate the accused's version of the alleged accident; using forged medical bills and receipts to "document" their expenses; and using props and multiple license plates.

The following seven agencies, who formed a task force to undertake this initiative, participated in the announcement: the Federal Bureau of Investigation; Social Security Administration, Office of Inspector General; United States Department of Homeland Security, Bureau of Immigration and Customs Enforcement; Fairfax County and Arlington County Police Departments; Virginia State Police; and the National Insurance Crime Bureau.

Assistant United States Attorney Steve A. Linick, and Special Assistant United States Attorney Lou Ruffino, coordinated the operation on behalf of the United States Attorney's Office.

#